

BENEFITS NEWS

An Information Publication for State of California Employees

2003 OPEN ENROLLMENT PERIOD FOR DENTAL, FLEXELECT, & COBEN

To coincide with the California Public Employees' Retirement System (CalPERS) Open Enrollment Period for health benefits coverage, the 2003 Open Enrollment Period for the Dental, FlexElect, and CoBen programs will be held from **October 1 through October 31, 2003**.

During this month you may enroll, change plans, and add/delete dependents to your dental coverage, as well as enroll in or change your FlexElect and CoBen options. You must submit enrollment forms to your Personnel Office **no later than October 31**. All changes will be effective January 1, 2004.

Consolidated Benefits (CoBen) Program

Under CoBen, the State provides one "combined" employer contribution amount (CoBen Allowance) for your health, dental, and vision benefits. Excluded employees and represented employees in Bargaining Units 2, 7, 8, 16, 17, 18, and 19 are in CoBen. Your choice of health and dental plans (vision enrollment is automatic) determines the premiums to be deducted from the CoBen Allowance. If the combined cost of your health, dental, and vision benefits is less than the CoBen Allowance, the excess amount will be paid to you as taxable cash. If the combined cost of your benefits is more than the CoBen Allowance, the difference will be deducted from your monthly pay warrant on a pre-tax basis.

Represented Employee CoBen Allowance

The CoBen Allowance for represented employees is determined through collective bargaining. Units 8, 16, 17, and 19 have agreed to the 2004 CoBen Allowance.

The State and Unit 7 have also reached agreement on the 2004 CoBen allowances, however, the Unit 7 agreement has not been ratified by the Legislature. Until further notice, represented employees in Unit 7 will continue to receive the 2003 CoBen Allowance. As of this date, Units 2 and 18 have not reached agreement with the State. Until further notice, the 2003 CoBen Allowance will continue for Units 2 and 18.

	<u>2003</u>	<u>2004</u>
1-Party	\$266	\$300
2-Party	\$515	\$582
Family	\$679	\$756

Excluded Employee CoBen Allowance

The CoBen Allowance for excluded employees is determined by DPA; effective January 1, 2004, it will be:

	<u>2004</u>
1-Party	\$302
2-Party	\$593
Family	\$768

Two tools are available to help you calculate your benefit costs under CoBen:

- The CoBen Calculator is available for both excluded and represented employees at DPA's Web site: www.dpa.ca.gov (click on *Benefits*, go to *Flexible Benefit Programs*, then *Consolidated Benefits*, then scroll down to the links for the CoBen Calculators).
- The CoBen Handbook contains information about the program as well as a worksheet for you to determine your benefit costs. The handbook is available at your personnel office and at DPA's Web site. Follow the instructions above; under *Consolidated Benefits*, scroll down to CoBen

Publications and Forms and click on
Consolidated Benefits 2004.

CoBen Cash Option

If you have health and/or dental coverage through another source (spouse, domestic partner, or former employer) you may choose to receive cash (taxable) in-lieu of the State's coverage.

To enroll in CoBen Cash, complete the Consolidated Benefits (CoBen) Cash Enrollment Election (STD. 702) during this open enrollment period. This form is available in the CoBen Handbook, from your Personnel Office, and also on DPA's Web site.

State Dental Program

Your 2004 dental plan options are listed below:

DeltaPremier

DeltaPremier, the State's indemnity dental plan, features full access to specialty care and guaranteed benefits through member dentists. You can see any dentist of your choice worldwide using this plan. However, your benefits are maximized when you receive services from Delta dentists.

DeltaPreferred Option (DPO)

The DeltaPreferred Option (DPO) plan provides higher benefit levels and lower copayments for many services. Although you can select any dentist, if you receive services outside of the DPO network, your share of the fees will be substantially higher. Your present dentist may be a DPO member of Delta Dental; however, not all Delta dentists are members of the DPO network.

For more information about DeltaPremier and the DPO, contact Delta at: 800-225-3368 or visit www.deltadentalca.org/state

2004 Delta Dental Premiums

Effective January 1, 2004, the premiums for all Delta Dental plans will increase.

DeltaPremier Basic Plan (for represented employees)

<u>Coverage</u>	<u>2004 Total Premium</u>	<u>State Share*</u>	<u>2004 Employee Share</u>	<u>Employee Share Increase</u>
1-Party	\$45.45	\$34.09	\$11.36	\$1.24
2-Party	\$79.98	\$59.98	\$20.00	\$3.93
Family	\$115.99	\$86.99	\$29.00	\$6.54

*Represented employees in CoBen will receive the CoBen Allowance determined through collective bargaining

DeltaPremier Enhanced Plan (for excluded employees)

<u>Coverage</u>	<u>2004 Total Premium*</u>
1-Party	\$47.31
2-Party	\$94.03
Family	\$132.27

* Excluded employees will receive the 2004 CoBen Allowance

DeltaPreferred Option (DPO) Plan (for excluded and represented employees)

<u>Coverage</u>	<u>2004 Total Premium</u>	<u>State Share</u>	<u>2004 Employee Share</u>	<u>Employee Share Increase</u>
1-Party	\$39.89	\$29.92	\$9.97	\$6.34
2-Party	\$78.17	\$58.63	\$19.54	\$8.23
Family	\$117.94	\$88.45	\$29.49	\$10.10

Prepaid Dental Plans

Health Net Dental, PMI, and Safeguard provide services through member dentists throughout California. Prior to enrolling, you should review the plan's provider list to locate a member dentist in your area.

Health Net Dental 1-800-926-7828

Private Medical Care (PMI). 1-800-422-4234

Safeguard. 1-800-880-1800

The 2004 premiums for the prepaid plans will continue to be fully paid by the State. The Safeguard premiums will decrease slightly and the Health Net premiums will remain at the 2003 rates. The PMI plan premiums will increase effective January 1, 2004. If you're covered under CoBen, the full premium will be deducted from your CoBen Allowance.

Effective January 1, 2004, the State will no longer contract with GE Wellness Dental Plan (GE). In order ensure uninterrupted coverage, if you are enrolled in GE, you will be automatically enrolled in SafeGuard effective January 1, 2004.

If you do not wish to be enrolled in SafeGuard, you may choose another dental plan during this open enrollment period. DPA recently mailed information to all employees currently enrolled in GE to advise them of this change.

FlexElect Program

FlexElect is a voluntary program that provides cash options, a dependent care reimbursement account and a medical reimbursement account. The FlexElect cash options increase your take-home pay. The FlexElect reimbursement accounts are a great way to lower your taxes and save money for dependent care and medical expenses.

Cash Option

If you have health and/or dental coverage through another source (spouse, domestic partner, or former employer) you may choose to receive taxable cash in-lieu of the State's coverage.

To enroll in the FlexElect Cash Option during this enrollment period, complete the Cash Option Enrollment Authorization (STD. 701C). The form and information about the Cash Option are contained in the FlexElect handbook, available at your Personnel Office, and also on DPA's Web site.

FlexElect Dependent Care Reimbursement Account

This program provides the opportunity for certain dependent care expenses (up to \$5,000 annually) to be paid on a pre-tax basis.

Medical Reimbursement Account

The Medical Reimbursement Account provides pre-tax payment of certain out-of-pocket costs (up to \$5,000 annually) for office visits, prescriptions, dental work, laser eye surgery, and other health-related expenses for you and your dependents.

To enroll in the Dependent Care and/or Medical Reimbursement Account, complete the Reimbursement Account Enrollment Authorization (STD.701R) during this open enrollment period.

More Information About FlexElect

All required forms and more information about the Cash Option and reimbursement accounts are provided in the 2004 FlexElect Plan Year Handbook. This handbook is available at your Personnel Office and on DPA's Web site (click on *Benefits*, go to *Flexible Benefit Programs*, *FlexElect Reimbursement Accounts*, and scroll down to *Related Publications*)

Rural Health Care Equity Program

DPA administers the Rural Health Care Equity Program (RHCEP), which provides reimbursement for certain health care expenses. Deductibles, co-insurance costs, and portions of premiums for employees and their enrolled dependants are reimbursable expenses. If you live in an area with no CalPERS HMO option, you are eligible to participate in the RHCEP. The RHCEP will continue through 2004 for active employees. Enrollment is automatic and is based on your residence zip code.

RHCEP or FlexElect?

You may participate in both the RHCEP and the FlexElect Medical Reimbursement Account. However, you can't claim reimbursement from

both programs. Under FlexElect, only costs that are not eligible for reimbursement from any other source may be claimed. This means that when you calculate how much money to put in your FlexElect account, don't include costs that can be reimbursed under the RHCEP.

Here is a list of some expenses that are reimbursable under the FlexElect Medical Reimbursement Account, and those expenses that are reimbursable under the RHCEP:

ELIGIBLE EXPENSES	
FLEXELECT	RHCEP
<p>This is a small sample of expenses that are reimbursable. The 2004 FlexElect Plan Year Handbook and IRS publication 502 provide a more complete list. (Note: reimbursement for cosmetic procedures is not allowed.)</p> <ul style="list-style-type: none"> ▪ Co-pays and co-insurance (for doctor visits, prescriptions, etc.) ▪ Deductibles (health, dental, vision) ▪ Dental co-payments and co-insurance ▪ Dental implants ▪ Laser eye surgery ▪ Orthodontic treatment 	<ul style="list-style-type: none"> ▪ Health plan deductibles ▪ Co-insurance costs (i.e., your employee's share of eligible medical expenses not paid by your health plan). For example, the co-insurance ratio for PERSCare is typically 90% for the health plan, and 10% for the employee. PERS Choice generally has an 80% plan/20% employee co-insurance ratio.

For more information about the RHCEP, contact the DPA Benefits Division at (916) 327-1439. For more information about FlexElect, contact your Personnel Office.

You may also access additional information about all of your benefits on the DPA Web site at www.dpa.ca.gov (click on *Benefits*).

For More Information

DPA Benefits Division
(916) 322-0300
CALNET 492-0300

ARAG Group
Group Legal Services Plan
1-800-247-4184

State Dental Program
(916) 324-0525
CALNET 454-0525

State Employee Assistance Program
MBC (Merit Behavioral Care)
1-800-632-7422

State FlexElect Program
(916) 327-6429
CALNET 467-6429

Health Promotion Program
(916) 324-9398
CALNET 454-9398

Merit Award Program
(916) 324-0522
CALNET 454-0522

Rural Health Care Equity Program
(916) 327-1439
CALNET 467-1439

Savings Plus Program
1-866-566-4777

www.dpa.ca.gov/contact_spp/

Vision Service Plan
(916) 445-9841
CALNET 485-9841

Workers' Compensation Program
(916) 445-9792
CALNET 485-9792

DPA Fax Numbers

Benefits Division
(916) 322-3769
CALNET 492-3769

Savings Plus Program
(916) 327-1885
CALNET 467-1885

TDD (Any unit in DPA)
(916) 327-4266
CALNET 467-4266

Internet Address

www.dpa.ca.gov